

H.R. 3944, The Small Business Fuel Cost Relief Act

The rapid rise of fuel costs is crushing small businesses. Many are in danger of folding because they cannot afford the increased cost of gasoline. The Energy Information Administration projects that heating oil costs this year will increase by 32 percent above last year's costs.

Congress has a responsibility to develop a long-term national energy strategy. We must invest in renewable energy technologies to free ourselves from dependence on foreign oil and make our environment clean. We must improve our energy conservation by improving building standards and making vehicles more fuel-efficient. And we must force large oil companies to invest some of their record profits in new refinery capacity and cleaner, more efficient technology.

Small businesses cannot wait for Congress to act on this broad agenda. They need help right now. That is why U.S. Representative Tom Allen has introduced ***H.R. 3944, The Small Business Fuel Cost Relief Act***, bipartisan legislation that does the following:

- gives small businesses that are fuel dependent, use heating oil or natural gas or have a fleet of vehicles, a tax credit. The tax credit is for the price of fuel above the price paid on Labor Day 2004 (for regular gasoline, \$1.81 per gallon).
- raises the IRS standard mileage allowance up to 60 cents per mile (it is 48.5 cents today), for those business owners and independent contractors who use their own vehicles and take the mileage allowance deduction.
- The tax credit lasts for two years, giving small businesses the relief that they need while giving Congress time to enact serious long-term energy policy.